

Used car sales Auction averages

July	\$3,289
Month ago	\$3,174
Year ago	\$3,320

Model breakdown Auction averages

	July	June	May
1980.....	\$5,662	\$5,621	\$6,060
1979.....	4,900	4,650	4,610
1978.....	3,631	3,501	3,498
1977.....	3,046	2,981	2,678
1976.....	2,214	2,328	2,177
1975.....	1,711	1,772	1,662
1974.....	1,240	1,343	1,203
1973.....	968	1,084	1,007
Overall			
Average	\$3,289	\$3,349	\$3,183

Week's yield 30 pct. below last year

Changeovers trim output to 62,314

By Michele Raquepau
Staff Writer

With model changeovers taking their toll, domestic auto production last week of 62,314 declined 31.73 percent from the previous week's output of 91,276, and slid 30.47 percent from the 89,617 assembled in the comparable 1979 week.

Year-to-date production of 3,862,724 is a 30.28 percent drop from the 5,540,102 built by this date in 1979.

American Motors' Kenosha plant, which was scheduled to begin full production last Monday, will not resume output with both shifts until today (Aug. 4). Production of AMC's 1981 model Eagle SX/4 and Eagle Kammenback did begin at Kenosha last week.

All Chrysler Corp. auto assembly plants were down last week, although Chrysler had originally planned to begin production of the 1981 model Aries

and Reliant at the Jefferson Ave. point last week.

This week, Chrysler's Jefferson, Belvidere (Omni, Horizon) and St. Louis (LeBaron, Diplomat, Caravelle) points are scheduled to work.

General Motors' Arlington and Doraville assembly plants (Malibu, Monte Carlo, Cutlass) built out for the 1980 model year last week as did its Leeds, (Malibu, Monte Carlo), Van Nuys (Camaro, Firebird) and Fairfax (Buick, Oldsmobile, Pontiac) points.

GM's Oldsmobile Lansing plant is scheduled to begin production of 1981-model mid-size cars this Friday (Aug. 8) and resume full production on Aug. 15. The Pontiac home plant began 1981 model output last Friday and Janesville begins 1981 production Aug. 5.

Ford Motor Co.'s Atlanta, Chicago, Metuchen, Wayne, Lorain, Dearborn, and San Jose car as-

sembly plants were down last week.

Atlanta, Chicago, Metuchen and Wayne were closed for changeover to 1981 model output, and of those, only Atlanta (Granada, Cougar, XR-7) is scheduled to work this week. Dearborn (Mustang, Capri) returns this week.

Lorain (Cougar, XR-7, Thunderbird) will remain down this week and next, and San Jose (Mustang, Capri) will be closed this week also.

Volkswagen of America will close its Westmoreland point Aug. 29 for changeover and is not scheduled to resume production until Sept. 22.

Checker Motors is scheduled to resume production today (Aug. 4) after being closed for the month of July.

Truck production declines 31 pct.; 20,046 assembled

Truck production by U.S. makers last week of 20,046 fell 31.74 percent from the 29,368 of the previous week and dropped 34.03 percent from the 30,386 of the comparable 1979 week.

The year's cumulative truck output of 937,265 is a decline of 57.28 percent from the 2,194,260 assembled by this time in 1979.

Chrysler Corp.'s Warren truck plant was down last week for model changeover and will remain down this week. Warren is scheduled to begin production of 1981 models Aug. 11.

Ford Motor Co.'s Michigan, Twin Cities, Kentucky, Lorain and San Jose truck assembly plants were down last week. All of the closings were "unscheduled downtime," not involving changeovers.

Van production at Ford's Lorain point will remain down this week and next, and truck output at its San Jose and Twin Cities plants will be closed this week.

As of Aug. 1, all General Motors truck assembly points except Lordstown and GMC Truck & Coach in Pontiac will be down for changeover to 1981 model production.

American Motors' Jeep plant, which was closed the entire month of July, is scheduled to resume operations Aug. 11.

All Mack truck facilities were down last week for vacation and will remain down until Aug. 11.

Car production rises in Canada as Ford returns

Canadian auto production last week of 6,873 jumped 40.99 percent over the 4,733 of the previous week, and increased 53.26 percent over the 4,354 of the comparable 1979 week.

Cumulative yearly production of 508,212 is a 19.65 percent drop from the 632,487 assembled by this date in 1979.

Production increased last week because Ford Motor Co.'s Oakville and St. Thomas plants reopened, although both plants are still building 1980 model cars. Oakville begins assembly of 1981 models on Aug. 18, and St. Thomas begins new-model output Aug. 12.

Chrysler Corp.'s Windsor auto assembly plant is scheduled to reopen today (Aug. 4), and pro-

U.S. CAR PRODUCTION

	Week Ended Aug. 2, 1980	Same Week 1979	Week Ended July 26, 1980	July Estimate	Jan. 1, to Aug. 4, 1979	Jan. 1, to Aug. 2, 1980
AMERICAN MOTORS.....	2,220*	4,500	1,110*	3,330*	59,325	97,243*
Eagle.....						
Concord.....						
'78 AMX.....						
Pacer.....						
Spirit.....						
CHRYSLER CORP.....	8,309	4,168	23,996	583,389	356,905	
Plymouth Total.....	3,083	2,309	10,748	232,464	162,815	
Horizon.....	2,987	2,308	9,640	101,425	93,681	
Volare.....	96		642	12*,583	51,740	
'80 Gran Fury.....			1	282	13,311	
Caravelle.....			184	5,456	4,083	
Chrysler Total.....	2,489		3,328	125,832	47,820	
Chrysler.....	2,489		911	60,431	11,516	
LeBaron.....			2,417	65,401	36,304	
Dodge Total.....	2,737	1,859	9,920	225,093	146,270	
Omni.....	2,519	1,860	7,801	91,296	21,062	
St. Regis.....	218		1	363	19,731	
Diplomat.....			1,355	30,044	17,585	
Aspen.....			401	84,022	36,899	
FORD MOTOR.....	6,769	30,316	19,844	38,811	1,368,573	737,110
Ford Division.....	4,337	23,478	12,416	26,567	900,280	543,061
Pinto.....		2,957		7,189	115,998	68,179
Mustang II/Mustang.....		7,204		6,574	238,662	145,302
Fairmont.....	2,615	6,095	2,786	5,946	124,385	148,898
Granada.....		3,186		525	97,659	49,412
LTD II.....					22,746	
Thunderbird.....		2,330		2,590	182,402	77,383
Ford.....	1,722	1,706	1,638	3,743	118,428	53,887
L-M Division.....	2,432	6,838	7,228	12,244	468,293	194,049
Mercury Total.....	2,432	6,479	5,935	10,691	369,998	174,502
Bobcat.....		1,017		1,258	30,999	12,445
Capri.....		2,181		2,010	70,580	41,891
Zephyr.....	1,148	1,436	1,031	2,395	41,505	48,042
Monarch.....		1,620		331	45,183	16,409
Cougar/XR7.....		225		2,005	105,310	25,757
Mercury.....	1,284		1,152	2,692	76,421	29,958
Lincoln Total.....		359		1,553	98,295	19,547
Lincoln.....		161		613	49,047	7,649
Versailles.....					8,946	1,861
Mark VI.....		198		680	40,302	10,037
GENERAL MOTORS.....	48,950	46,393	62,048	303,437	3,388,113	2,543,854
Buick Division.....	5,465	3,323	10,121	51,283	489,014	496,893
Skyhawk.....		404			14,897	
Skyhawk/'79-'80.....	3,836	2,919	4,829	17,938	54,885	139,254
Century.....			989	9,045	32,314	107,564
Regal.....	723		1,822	11,927	172,319	129,695
Buick.....	906		1,771	10,111	177,261	92,621
Riviera.....			710	2,262	37,338	27,750
Cadillac Division.....			3,689	14,437	241,167	124,756
Seville.....			695	2,508	30,574	21,205
Cadillac.....			1,685	7,244	162,929	70,266
Eldorado.....			1,309	4,685	47,664	33,224
Chevrolet Division.....	28,440	30,914	30,482	130,952	1,476,315	1,078,361
Chevette.....	9,740	9,320	9,509	40,450	257,460	280,591
Monza.....	3,320	2,932	2,593	12,554	93,489	102,825
Camaro.....	1,570	3,088	2,509	9,675	182,549	79,725
Nova/Citation.....	8,245	7,209	9,505	38,225	156,376	288,504
Malibu.....	3,995	5,053	4,709	20,162	263,979	167,060
Monte Carlo.....	770	2,327	824	3,615	158,768	60,583
Chevrolet.....				2,902	334,179	72,494
Corvette.....	800	985	833	3,369	29,515	26,579
Oldsmobile Division.....	8,388	5,769	11,044	72,357	690,375	494,003
Starfire.....		337			12,753	
Omega/'79-'80.....	2,167	1,300	2,206	10,524	25,877	73,596
Cutlass.....	5,195	4,132	6,337	45,988	348,573	253,681
Oldsmobile.....	1,026		1,558	12,400	267,298	141,610
Toronado.....			943	3,445	35,874	25,116
Pontiac Division.....	6,657	6,387	6,712	34,408	491,242	349,842
Acadian.....	240	210	247	1,266	12,066	14,308
Sunbird.....	3,093	1,912	2,179	11,446	60,861	90,449
Phoenix/'79-'80.....	2,525	1,963	2,797	11,727	43,998	85,004
Firebird.....	799	2,302	1,478	5,733	136,558	51,685
LeMans.....				536	62,363	34,611
Grand Prix.....				1,079	64,118	35,440
Pontiac.....			11	2,621	111,278	38,345
VOLKSWAGEN.....	4,375		4,306	20,280	107,834	126,042
CHECKER.....		99			2,868	1,570
Total Cars, U.S.	62,314	89,617	91,276	389,854	5,540,102	3,862,724

CANADIAN CAR PRODUCTION

	Week Ended Aug. 2, 1980	Same Week 1979	Week Ended July 26, 1980	July Estimate	Jan. 1, to Aug. 4, 1979	Jan. 1, to Aug. 2, 1980
CHRYSLER CORP.....				404	73,501	38,578
FORD MOTOR.....	5,440	4,354	768	9,171	189,009	151,027
GENERAL MOTORS.....	1,008		3,740	30,416	364,725	312,252
VOLVO.....	225		225	877	5,252	6,355
Total Cars, Canada.....	6,673	4,354	4,733	40,868	632,487	508,212
N. American Cars.....	68,987	93,971	96,009	430,722	6,172,589	4,370,936
N. American Trucks.....	23,965	34,941	34,303	104,393	2,619,984	1,243,668
North American Cars and Trucks.....	92,952	128,912	130,312	535,115	8,792,573	5,614,604

*—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

TRUCK PRODUCTION IN U.S.†

	Week Ended Aug. 2, 1980	Same Week 1979	Week Ended July 26, 1980	July Estimate	Jan. 1, to Aug. 4, 1979	Jan. 1, to Aug. 2, 1980
CHEVROLET.....	7,384	9,844	6,902	30,790	694,984	290,254
DODGE/PLYMOUTH.....		624	72	2,013	256,241	84,700
FORD.....	5,230	7,498	15,421	22,165	777,474	314,186
GMC.....	3,817	6,429	2,984	14,609	229,081	101,145
INTERNATIONAL.....	2,115	2,434	1,925	8,017	82,305	32,916
MAK.....			541	1,355	21,941	14,917
JEEP.....		2,400			91,976	51,105
AM CORP.....	225*	457	225*	945*	14,658	5,789
VOLKSWAGEN.....	625		613	2,879		17,098
MISCELLANEOUS.....	650*	700	685	2,876*	25,800	24,525*
Total Trucks, U.S.	20,046	30,386	29,368	85,649	2,194,260	937,265

CANADIAN TRUCK PRODUCTION

	Week Ended Aug. 2, 1980	Same Week 1979	Week Ended July 26, 1980	July Estimate	Jan. 1, to Aug. 4, 1979	Jan. 1, to Aug. 2, 1980
CHRYSLER CORP.....	1,600			1,600	40,108	23,798
FORD MOTOR.....	800	1,470	2,792	7,442	155,417	110,099
GENERAL MOTORS.....	1,044	1,683	1,651	8,717	181,325	150,017
AMERICAN MOTORS.....		926			34,339	11,644
INTERNATIONAL.....	475	476	469	847	12,282	9,428
MAK.....			23	138	2,253	1,417
Total Trucks, Canada.....	3,919	4,555	4,935	18,744	425,724	306,403
N. American Trucks.....	23,965	34,941	34,303	104,393	2,619,984	1,243,668

†—Revised. *—Now includes van production. *—Estimated.
Jeep includes commercial vehicles only. AM General includes government-destined vehicles.

duction of the 1981 Imperial is planned to begin Aug. 6.

General Motors' Oshawa No. 2 line and Oshawa No. 1 build out for the 1980 model year on Aug. 18. Oshawa No. 2 begins assembly of 1981 models on Sept. 18, and No. 1 begins new-model production Sept. 11.

GM's St. Therese plant builds out Aug. 24 and begins 1981 model output on Sept. 25.

Volvo closes for vacation today (Aug. 4) and resumes pro-

duction on Aug. 22. Changeover to 1981 model output at Volvo doesn't take place until mid-September.

Truck output in Canada last week of 3,919 fell 20.59 percent from the 4,935 of the previous week and declined 13.96 percent from the 4,555 of the comparable 1979 week.

Year-to-date truck production of 306,403 is a 28.03 percent drop from the 425,724 assembled by this date in 1979.

Automotive News

Detroit, August 11, 1980

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55th year—\$35 per year, \$1.00 per copy

GM heads for an even more dominant position

A look at cars coming over next five years

By Robert W. Irvin
Editor-at-Large

It is costing \$80 billion and it is the greatest peacetime upheaval in the history of the American auto industry.

The industry is in the midst of a wartime-style changeover of plants and products. Gone are the steady, evolutionary changes of the past. Now the changes are nothing short of revolutionary.

They actually started in the late 1970s with the introduction of the Chrysler Omni/ Horizon front-drive subcompacts and the General Motors X-car, front-drive compacts.

But those introductions only set the stage for what will be a dizzying series of new cars over the next five years. Items:

1. Ford Motor Co. begins production this week of its new Escort/Lynx, the small front-drive world car which is crucial to the firm's comeback.

2. Chrysler Corp. last week launched production of its K-car, the front-drive compact built with federal aid and the car which holds the key to the firm's survival. It will be sold under Reliant/Aries nameplates.

3. General Motors next spring will introduce its J-car, another front-drive small car in the same 25-30-MPG range as the Escort/Lynx and the Chrysler K-car.

While the trend is definitely to front-drive cars with four-cylinder engines, customers will find an even greater proliferation of cars and powertrains than is now available.

There will still be rear-drive cars. There will be new mid-engine sports models and front-drive vans. There will be more V-8s, more diesels and still some V-6s.

There will even be electric cars and electric vans.

Some classes of cars will be dropped and nameplates shifted. The \$80-billion price tag for

the total changeover eclipses even the \$77.7 billion spent thus far on the 42,000-mile U. S. interstate highway program.

GM will spend an incredible \$40 billion over the next five years. Other firms will account for \$40 billion more.

It appears the competitors will not catch up with GM's product changes. An analysis of product plans for the various firms shows that by 1984-85 GM should be in an even more dom-

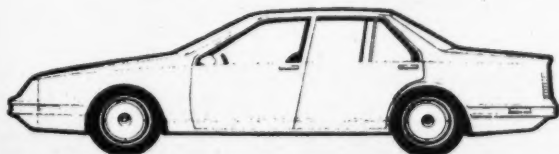
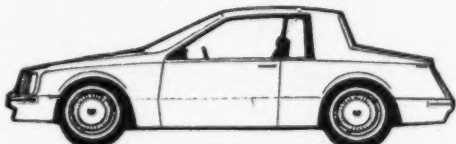
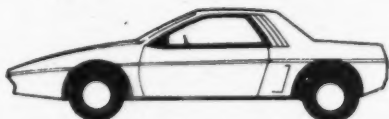
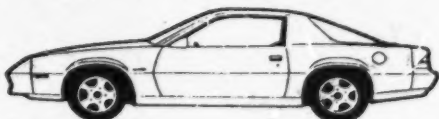
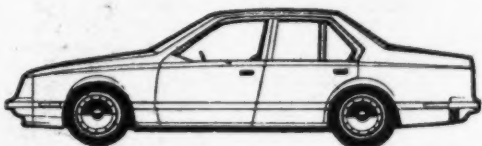
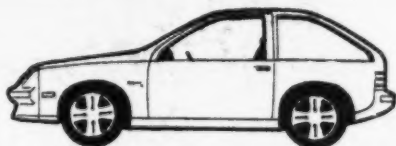
inant market position in the U.S. auto business.

The competitors lost ground to GM over the past five years because GM moved fastest to develop smaller economy cars after the Arab oil embargo and soaring gasoline prices.

In addition to trying to overtake GM, the other domestic firms also have to contend with even more competition from imports. The foreign car makers

Continued on Page 42, Col. 1

Down the road



Wedge look featured on 1981-84 cars

Aerodynamics will be a key feature in U. S. car design of 1980s. These sketches, shown at the Automotive News World Congress, reflect the wedge-shape designers are after for improved fuel economy. Note the fast-sloping windshield, low hood and high trunk. These are the kinds of cars Detroit will be building in 1981-84. From the top are a 2+2 subcompact, a five-passenger mid-size sedan, both front-drive; a four-seat sporty car with rear drive; a mid-engine two-seat sports car; and two more front drive models—a four-passenger subcompact coupe and a standard six-passenger sedan. Most cars will use four-cylinder and V-6 engines, although the sporty model will probably have a V-8. Fuel economy will be in the 25-40-MPG range.

First one off



Jim Pique

Iacocca takes the wheel

A 1981 Plymouth Reliant, driven by Chrysler Corp. Chairman Lee A. Iacocca, was officially the first K-car off the production line at the Jefferson Ave. plant. Story on Page 2.

Loss is heaviest on record

By John K. Teahen Jr.
Managing Editor

The dire predictions of dealer mortality have proved all too true.

The midyear AUTOMOTIVE NEWS census discloses that the domestic auto industry lost a staggering total of 930 dealerships during the first six months of 1980. It was by far the stiffest loss in the 20 years that AUTOMOTIVE NEWS has been compiling semi-annual figures.

By comparison, the first-half dropoff in 1979 was 133 outlets.

The census found 22,449 dealerships handling U. S. makes of passenger cars on July 1, compared with 23,379 on Jan. 1.

The first quarter was bad with a loss of 258 dealerships. But the second quarter was the real backbreaker as another 672 outlets faded away.

To pinpoint the severity of the decline, it should be noted that only twice in the last 18 years has the full-year loss been greater than this year's first-half dip.

The industry lost 945 outlets in 1970 (and the 1980 total is surely above that by now), and there was a slide of 1,858 stores in 1966 when Studebaker bowed out of the auto business. Studebaker accounted for the bulk of that year's downturn.

Despite the gloom of the first

half this year, there was a bright spot: American Motors. AMC showed a decline of only six dealerships for the period.

But it was a rough time for the Big Three. Chrysler Corp. lost 413 car dealerships; Ford Motor was down 331, and General Motors dropped 185. That's a total of 935 for the four companies. A change in the number of intercorporate deals put the industry's net loss at 930.

All figures in this article and the accompanying tables refer to the net change in the dealership population, both for the in-

dividual corporations and car lines and for the domestic industry as a whole.

• For each of the Big Three, the first-half loss was the worst in the two-score years for which semiannual figures are available. And the second quarter was the worst for each company in the 19 years that AUTOMOTIVE NEWS has been charting quarterly changes in dealer totals.

It's hardly necessary to repeat the reasons for the first-

Continued on Page 41, Col. 1

930 dealerships fold in first half

breaking news

FTC accuses GM in transmission case

WASHINGTON. — The FTC has charged General Motors with unfair and deceptive practices in failing to notify owners and buyers of millions of vehicles that some have serious defects. "Typical and illustrative" are Type 200 automatic transmissions, camshafts or lifters in Chevrolet 305 and 350 V-8 engines and fuel-injection pumps or injectors in diesels, particularly Oldsmobile 350s.

L-M appoints Rewey and Cappy

DETROIT.—Robert L. Rewey has been appointed general sales manager for Lincoln-Mercury Division, succeeding

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